



BRIEFING: May 2, 2013, BOARD MEETING AGENDA ITEM #6

TO: Chairman Richard and Board Members

FROM: Jon Tapping, Risk Manager

DATE: May 2, 2013

RE: Status Report on Construction Package 1 (CP1) Design/Build Results

Background

On April 12, 2013, the California High-Speed Rail Authority (Authority) identified Tutor Perini/Zachry/Parsons, a Joint Venture, as the best scoring team for the design-build contract to begin construction of the Madera to Fresno segment, the first section of the high-speed rail system. The Authority had estimated the cost for the design-build contract to be between \$1.2 billion and \$1.8 billion. The Authority determined that Tutor Perini/Zachry/Parsons, a California-based Joint Venture, who bid \$985,142,530, was the “apparent best value.” The ranking and score of all five proposals are attached.

Because the procurement process is still in process and subject to negotiation and finalization, the Authority is limited in what it can disclose publicly at this point. Basic information is being provided at this stage to update the Board and public on process to date and next steps.

Discussion

Design-build combines project design and construction in a single contract. In the competitive bidding process, five teams submitted proposals to the Authority for the first design-build contract. In November 2011, the Authority issued a Request for Qualification for potential design-build teams interested in the contract. Five teams met the threshold and began competing for the contract. In January 2013, the five teams submitted their proposals, which were objectively reviewed by an evaluation panel comprised of public employees. The proposals were evaluated and ranked based on 30 percent for technical merit and 70 percent for cost.

The technical proposals were evaluated twice before prices were considered. First, all proposals went through a “pass/fail” review to ensure basic compliance with requirements. For comparison, the California Department of Transportation (Caltrans), acting under state law and

regulations, does not conduct additional technical review beyond the pass/fail for its low bid design-build procurements.

Having passed the initial review, each proposal was then subjected to a detailed technical review. Factors such as an understanding of the project, schedule capability, project approach and safety were part of the technical scoring. All five were found to be fully compliant with all requirements and fully capable of delivering the project successfully. As a result of the procurement process, the Authority owns all concepts, solutions and other information contained in each of the proposals and is able to use that information to the advantage of the program.

Recommendations

This is an information item. No Board action is requested at this time. The Authority will continue to work through the ongoing procurement process and a contract will be presented to the Board in the coming weeks.

Attachment

Attached is "RFP No. HSR 11-16, Apparent Best Value"